

SUMMARY OF NO. 11-22

This proposed law would expand the state's beverage container deposit law, also known as the Bottle Bill, to require deposits on containers for all non-alcoholic carbonated and non-carbonated drinks in liquid form intended for human consumption, except milk and beverages primarily derived from dairy products, infant formula, and FDA approved medicines. The proposed law would not cover containers made of paper-based biodegradable material and aseptic multi-material packages such as juice boxes or pouches.

The proposed law would direct the state Executive Office of Energy and Environmental Affairs (EOEEA) to issue regulations for licensing redemption centers, which the proposed law defines as any business whose primary purpose is the redemption of beverage containers and that is not ancillary to any other business. An order approving a local redemption center license would have to state the dealers to be served and the kinds, sizes, and brand names of empty beverage containers that the center accepts.

The proposed law would direct the Secretary of EOEEA to issue regulations allowing small dealers to seek exemptions from accepting empty deposit containers. The proposed law would define small dealer as any person or business, including the operator of a vending machine, who sells beverages in beverage containers to consumers and whose operating premises are less than 4,000 square feet. The proposed law would require that the

regulations consider at least the health, safety, and convenience of the public, including standards governing distribution of redemption centers by population or by distance or both, the size and storage capacity of dealer(s) to be served by the redemption center, and the size and storage capacity of the redemption center.

The proposed law would increase the minimum handling fee that beverage distributors must pay dealers, and that bottlers must pay distributors and dealers, for each properly returned empty beverage container, which was 2¼ cents as of September 2011, to 3¼ cents. The Secretary would review the amount of the fee at least every two years and make appropriate adjustments to reflect cost increases.

The proposed law would set up a state Clean Environment Fund to receive certain unclaimed container deposits. The Fund would be used, subject to appropriation by the state Legislature, solely for recycling, litter reduction, and related environmental programs as determined by the Secretary of EOEEA.

The proposed law would allow the state Department of Environmental Protection to enforce the prohibition against attempting to return, for the purpose of obtaining a refund or handling fee, more than ten cases of 24 empty beverage containers each, that the person knows or should know were not originally sold in Massachusetts as filled beverage containers. The Department would also enforce laws regarding the acceptance of

empty beverage containers by dealers, distributors, bottlers, and redemption centers; the distribution and sale of plastic bottles and containers labeled with codes showing the type of plastic; the proposed Clean Environment Fund; the prohibition against dealers selling containers connected to each other by a separate holding device that cannot be broken down by bacteria or light; and labels and notices concerning the refund value of containers.

The proposed law would make violations of these laws or related regulations subject to an administrative penalty of up to \$1,000.

The proposed law would authorize the state Commissioner of Revenue to enforce laws regarding the requirement that bottlers and distributors keep deposits and handling charges separate from other revenue; the maintenance of a separate Deposit Transaction Fund by each bottler or distributor required to accept empty beverage containers; reports to the Commissioner; requiring the turning over of unclaimed deposit amounts to the Commissioner; and providing for certain reimbursements by the state to bottlers and distributors. The proposed law would make violations of these laws subject to an administrative penalty of up to \$1,000.

The proposed law would take effect on January 15, 2013.